by airlines for incurring low profits are high ATF cost, decline in yields due to increased competition etc.

(d) State Governments have been requested to consider moderation of the rate of sales tax imposed on Aviation Turbine Fuel (ATF) and align it with the "Declared Goods" rate of 4%. Governments of Andhra Pradesh and Kerala have since reduced the sales tax"6h ATF to 4%. Government of Rajasthan has also reduced the sales tax on ATF to 4% in case of the following:—

1. Airlines which establish a 'HUB' in the State.

2. Registered Flying clubs for their training flights; and

3. Airlines which for the first time connect cities of the State having no air service, the exemption would be limited to such flights only.

Government of Maharashtra has also announced reduction of Sales tax on ATF from 25% to 4% for flights from airports other than Pune and Mumbai.

Aviation agreement with Pakistan

4159. SHRI KAMAL
AKHTAR: SHRI ABU
ASIM AZMI:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether to increase the number of air flights between India and Pakistan some agreement has been made recently;

(b) if so, the details thereof and the last destinations of such flights through Pakistan;

(c) how far India would be benefited;

(d) whether to control the hijacking of aircrafts some mechanism has also been agreed to;

(e) if so, the details thereof; arid

(0 if not, what shall be the safety of the flights?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) and (c) In the bilateral talks held at Rawalpindi on 14-15 February, 2008, the capacity entitlements for the designated airlines of each side were enhanced from 12 to 28 services per week. Chennai and Islamabad have been agreed as additional points of call for the designated airlines of Pakistan and India respectively. Moreover, both sides are now entitled to designate upto 3 airlines for the purpose of operating the agreed services on the specified routes.

(d) to (f) Though no specific agreement was signed during the talks for controlling hijacking, contingency plans in the event of hijacks are provided for each civil airport in India. Further, under the National Civil Aviation Security Programme of Inida, specific provisions relating to maintenance of the security of national and foreign air operators providing services from India as well as of civil airports, civil enclaves in India supporting international & domestic flights, exist.